

286.3-290 Exceptions to maximum debt to banks.

In the case of obligations to banks and trust companies, the limitations and restrictions of KRS 286.3-280 shall not apply to:

- (1) Obligations of the United States or of the State of Kentucky;
- (2) Obligations guaranteed as to principal and interest by the United States or the State of Kentucky; or all obligations to the extent secured or covered by guarantees or by commitments or agreements to take over or to purchase the same made by any federal reserve bank or by the United States or by any department, bureau, board, commission or establishment of the United States, including any corporation wholly owned directly or indirectly by the United States; or consolidated bonds issued by or for federal land banks or consolidated debentures issued by or for federal intermediate credit banks under the Act of Congress known as the "Federal Farm Loan Act," and amendments thereto; or consolidated debentures issued by or for banks for cooperatives under the Act of Congress known as the "Farm Credit Act of 1933," and amendments thereto; or obligations issued by the federal home loan banks; or obligations which are insured by the federal housing administrator pursuant to Title 12, Section 12, Section 1713, United States Code, if the debentures to be issued in payment of such insured obligations are guaranteed as to the principal and interest by the United States; or obligations of national mortgage associations; except that the executive director may make, alter and repeal regulations respecting the total liabilities of any person which:
 - (a) Are secured by direct obligations of the United States or the State of Kentucky, and
 - (b) Have a face value at least equal to the amount of such liabilities, and
 - (c) Will mature within five (5) years from the date such liabilities were incurred.
- (3) Obligations of Kentucky counties and school districts incurred through borrowing in anticipation of the current year's tax receipts as authorized by KRS 68.320 and 160.540.

Effective: June 18, 1970

History: Amended 1970 Ky. Acts ch. 209, sec. 7, effective June 18, 1970. -- Amended 1960 Ky. Acts ch. 152, sec. 1. -- Amended 1946 Ky. Acts ch. 177, sec. 1. -- Amended 1944 Ky. Acts ch. 15, sec. 1. -- Recodified 1942 Ky. Acts ch. 208, sec. 1, effective October 1, 1942, from Ky. Stat. sec. 583.

Formerly codified as KRS 287.290.

Legislative Research Commission Note (7/12/2006). In accordance with 2006 Ky. Acts ch. 247, secs. 38 and 39, this statute has been renumbered as a section of the Kentucky Financial Services Code, KRS Chapter 286, and KRS references within this statute have been adjusted to conform with the 2006 renumbering of that code.

Legislative Research Commission Note (6/20/2005). 2005 Ky. Acts chs. 11, 85, 95, 97, 98, 99, 123, and 181 instruct the Reviser of Statutes to correct statutory references to agencies and officers whose names have been changed in 2005 legislation confirming the reorganization of the executive branch. Such a correction has been made in this section.